

DDI #03928-86  
26 September 1986

MEMORANDUM FOR: Director of Central Intelligence  
FROM: Deputy Director for Intelligence  
SUBJECT: Restructuring of the IC Staff

1. Action Requested: None; you asked for comments on General Odom's proposal on restructuring the Intelligence Community Staff.

2. General Odom's ideas about strengthening program managers do address problems that he has and that other program managers have, but I don't believe his recommendations address the key problems you face. Strengthened program managers may be able to streamline planning, budgeting, and exploitation cycles for individual collection systems (SIGINT, imagery, and HUMINT), but I am not convinced that the intelligence product will be improved or that this change will enhance the ability to make trade offs across the NFIC. Producers now would argue that the SIGINT program -- where the Director of NSA has a strong program managerial role -- is the most difficult to influence. 25X1

3. While some changes in program management may be useful, I think a more direct solution to the problems that you face is to make some significant changes to the Intelligence Community Staff. The changes I recommend are spelled out in the attached set of functional descriptions, but they are aimed at the following:

- establishing a strong evaluation and guidance group that would set the priorities, conduct cross discipline studies of how priorities were being met, and drive the agenda for NFIC review of the budget;
  - placing the evaluation group under the direction of someone whose experience is primarily that of a producer of intelligence rather than a collector or program manager;
  - incorporating the staff of the Intelligence Producers Council and those that work on the DCIDs to produce the National Intelligence Strategy and other guidance;
  - assigning the individual SIGINT review committees into the new evaluation/guidance group;
  - abolishing the CIPC. 25X1
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**SUBJECT: Restructuring of the IC Staff**

4. I don't believe that any additional people would be required to accommodate this proposal. The change would significantly reorient and reduce the role of [redacted] budget group. It would also tend to reduce the role of the individual collection committees in areas other than specific collection requirements.

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[redacted]  
Richard J. Kerr  
Deputy Director for Intelligence

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**Attachment:**  
**As stated**

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THIS PROGRAM IS INTENDED TO ADDRESS THE FOLLOWING NEEDS:

- Provide for a more effective interface between substantive needs and programmatic response
- Provide for better program integration, within discipline (e.g., SIGINT, Imagery), across discipline (e.g., Imagery vs HUMINT), and across program boundaries (e.g., SIGINT or Imagery programs in CIAP, CCP, GDIP, NRP)
- Provide for more rational application of increasingly scarce resources against intelligence targets (e.g, counterterrorism, Third World, strategic relocatable targets) across intelligence discipline and program boundaries
- All within the context of a "strategy" that hangs together under OMB and Congressional scrutiny
- Enhances ability of DCI and other senior Intelligence Community executives to make sound resource allocation judgments and decisions among well thought out alternatives
- Need for dedicated staff support to DCI and NFIC for above purposes

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STRUCTURE AND FUNCTIONS  
(see attached flow diagram)

NATIONAL FOREIGN INTELLIGENCE COUNCIL

- Provides strategic planning guidance
- Approves National Intelligence Strategy
- Validates program guidance and goals
- Validates program selection
- Validates NFIP budget submission
- Chooses among options
- Resolves disputes

PROGRAM GUIDANCE GROUP  
(IC Staff or Chairman NFIC Staff)

- Group Chief is SIS-4 and serves as Executive Secretary to NFIC
- Group functions as working Secretariat to NFIC and serves DCI
- Develops and maintains National Intelligence Strategy
- Works with intelligence producers and consumers to identify key intelligence needs and gaps
- Develops DCI Guidance
- Develops broad mid- and long-term program goals
- Reviews and evaluates programs and budget submissions for responsiveness to needs, guidance, goals before submission to NFIC
- Performs ad hoc studies and evaluations across intelligence discipline, target, program, and investment category
- Develops all-source simulation and evaluation tools independent of specific programs
- Sets DCID priorities (Community participation)
- Establishes and maintains all-discipline FIRF and works with Collection Committees to ensure maintenance of INT-specific FIRFs
- Chief and bulk of staff should be analyst/substantive people
- Could rotate Chiefs between CIA/DIA with alternate deputies; who move up, providing long-term continuity
- Chief should be allowed to select staff, which should be about 70 percent cadre and 30 percent rotational

RESOURCE PLANNING GROUP  
(IC Staff)

- Establishes NFIP budget structure, procedures, and data requirements
- Mandate to reorganize current system, as necessary, to provide basis for program integration and assessment by:
  - program (e.g., NRP, CIAP)
  - program element
  - program line

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- intelligence target (e.g., Counterterrorism)
- intelligence discipline (e.g., Imagery)
- sub-discipline (e.g., collection, processing, exploitation)
- investment category (e.g., O&M, production enhancement, R&D)
- Reviews budget submissions
- Integrates submissions to establish overall NFIP
- Works with Program Guidance Group to ensure adherence to Strategy, Guidance, and Goals
- Monitors programs for fiscal performance
- Maintains Congressional Liaison on all NFIP budget issues
- Maintains liaison with Program Managers (e.g., NRP, CIAP)

**INTELLIGENCE COMMITTEES (e.g., COMIREX, SIGINT, etc.)**  
**(IC Staff)**

- Delete evaluation functions from all committees except where in direct support of improved performance and intelligence satisfaction for operational systems (Program Guidance Group performs all other evaluations)
- Add function (and staff, where necessary) to give each committee ability to perform INT-specific program integration (e.g., SIGINT Committee Program Integration Staff would review programs and activities across all agencies involving SIGINT (CIAP, CCP, NRP, GDIP) by program (e.g.,   and by functional sub-discipline (e.g., collection and processing) to make sure that the total program "makes sense" on an INT-specific basis
- Work with Program Guidance Group as required on ad hoc specialized or broad gauged evaluations
- Add Counterintelligence and Security Committee along same lines as COMIREX, MASINT, etc., as focal point for related programs in CIA, FBI, DoD, etc.

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**ELIMINATE THE FOLLOWING AS INDEPENDENT UNITS**

- Intelligence Producers' Council (functions subsumed by new Program Guidance Group and role of its Chief as Executive Secretary to NFIC)
- CIPC (functions performed by Program Guidance Group)
- Policy and Planning Staff (ICS) (functions performed by Program Guidance Group)
- Foreign Intelligence Priorities Committee (functions performed with Community participation by Program Guidance Group)
- Legislation Liaison (functions performed by Resource Planning Group)

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## NEEDS

## BUDGET